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CARD looking at new, higher fees

By LAURA URSENY - Staff Writer

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CHICO — The Chico Area Recreation and Park District is going to be asking the governments of Chico and Butte County to consider raising park impact fees for the district.

At a meeting Wednesday, the CARD board heard a consultant's draft proposal that would raise the park fee charged on new single-family dwellings in Chico and Butte County from \$2,913 and \$2,375 respectively, to \$6,281. The multi-family dwelling fee would rise from \$2,465 to \$5,073.

Those may not be the final amounts that CARD actually asks for, General Manager Steve Visconti stressed.

The park impact fees from the city and county are passed along to CARD to provide parks and recreation programs in its district area. The fees are placed on new construction, under the "pay its own way" philosophy.

The increases are linked to what CARD's 2008-adopted master plan set as goals. The fees were developed as part of a nexus study that hinge fees on specific formulas and established factors like population growth and costs.

Several CARD directors thought the increases were too much, and could be hard for builders to swallow, considering the economy. The fees are collected before a dwelling is sold.

In his opening remarks, Visconti told the board the fees were high because of what the master plan calls

for, but said the board could adjust them or implement them over several years. How quickly the master plan is implemented is also a factor.

In addition, the suggested fees include the costs of proposed aquatic and community-use facilities, which weren't included previously. Currently, park impact fees are used for parkland acquisition, park development and administrative costs, rather than facility development.

Blending the cost of facilities into the park impact fee is new to Chico, but done elsewhere, consultant Blair Aas of SCI Consulting of Fairfield told the board.

Of the fee increases, Aas acknowledged, "This is a significant increase at a time when the housing market is depressed."

But he said this was the only way to pay for park and facility development.

Additionally, Aas suggested the board consider asking the city and county to add a new park impact fee of \$5,073 on new mobile homes put on a parcel, and \$2,416 onto new second dwelling "granny" units built in the district.

The consultant also recommended a square-foot or per employee fee on new non-residential construction in both the city and county, including office, retail and industrial.

Board member Mark Sweany said he didn't support fees on non-residential construction, but did support expanding CARD park fees to places in the district not assessed previously.

"I'm not shocked by these fees, but they'll come

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down considerably," Sweany added.

CARD is looking to expand its park impact fees area to CARD's full district. The fees currently apply in Chico's sphere of influence, but would extend from the Tehama County border in the north to roughly the Durham-Dayton Highway in the south. It would also incorporate from the Sacramento River in the west to the eastern foothills.

Thursday's meeting was the first run-through of the proposed impact fees and budget discussions, and the consultant will take the board's comments in consideration for the next draft.

Visconti said the board will likely discuss the fees again in April, hold a public hearing and then decide on a final structure after that, then passing it to the Chico City Council and Butte County Board of Supervisors for discussions there.

"It could take several months," Visconti said.

CARD has relied on the city to collect the park impact fees in the city and pass them along to the district. For more than 20 years in the county, developers have come to CARD to pay their fees and then pay the county separately.

Visconti said CARD and the city are leaning in that direction as well, and will discuss it during the general plan update.

Visconti on Thursday acknowledged the last time CARD asked the county to raise the fees, only a partial increase was approved.

Visconti said the increases were being considered because the fees have not changed for awhile, and the master plan outlines some new capital projects,

as well as increased use and demand as the area's population rises.

According to the nexus study, new development occurring inside the district will create the need for at least five acres of park facilities, developed primarily for active recreational pursuits, for every 1,000 new residents. The study projects the district's population increasing by about 47,300 residents by 2030.

Board member Jan Sneed noted the possible increase of fees might encourage developers to build their own parks as part of a subdivision project.

Visconti noted CARD has to pay prevailing wages for park construction, whereas developers don't.

Another factor in raising the fees is that CARD has been taking over several city parks as part of a city agreement that leaves open spaces and greenways under the city. Bidwell Park will remain with the city, but park sites such as undeveloped Henshaw Avenue and developed Wildwood Park will be passed to the city.

Additionally, the board heard not-so-bright news from business manager Scott Dowell, who talked about the initial 2010-11 budget and a five-year budget.

Dowell said he was "more concerned" about cash flow projections than ever before, and mentioned financial challenges including what a national health care plan for employees could look like, as well as worker compensation costs.

Concerns also included state taking funds without reimbursement, property tax and Chico

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redevelopment pass-through income levels, as well as increasing costs of elections and what might be happening to the funding from Chico Unified School District after-school programs.

Dowell said he would continue to look for grants for the district. It was noted all Propositions 12 and 40 funds have been used.

Facilities manager Jake Preston noted his five-year wish list of capital projects and purchases was "ambitious," especially in the light of the economic uncertainty.

Preston's list included more than a dozen projects, ranging from a shade structure up at DeGarmo Park, to lighting the bike path at Community Park.

Preston said the guiding criteria for projects were safety, maintenance and improvements.

Generally, the district has devoted about \$300,000 annually to capital projects, and \$100,000 for fixed asset changes, such as replacement vehicles, office equipment and field equipment, he said.

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BACKGROUND: A nexus study done in conjunction with Chico Area Recreation and Park District's new master plan suggests park impact fees in the city and county should be raised.

WHAT'S NEW: The CARD board got a first look at some suggested fees and had a budget discussion.

WHAT'S NEXT: The fee and budget discussions will be back to the board, probably in April.

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